

MEDIA RELEASE

**Attention: News Director
For Immediate Release
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**U.S. DEPARTMENT OF JUSTICE
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Western District of Kentucky**

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**SOUTH CAROLINA MAN PLEADS GUILTY
TO DISTRIBUTING ILLEGAL SATELLITE TV ACCESS DEVICES**

– \$549,000 Fraud

David L. Huber, United States Attorney for the Western District of Kentucky, announced today that **MICHAEL C. HILL**, age 53, of Iva, South Carolina,, **pled guilty** to engaging in a conspiracy between March 1996, and February 1999, to distribute 437 illegal satellite television access devices in violation of 18 USC 1029a(1). This statute makes it a crime to manufacture, distribute or use counterfeit electronic access devices, such as credit cards, debit cards, or as here, consumer satellite television access cards. This technology is no longer used today.

Much of the evidence incriminating the conspirators was seized as a result of a search warrant executed by the Federal Bureau of Investigation and the Internal Revenue Service, with the assistance of the Royal Mounted Police, on the business of the principal defendant, Canadian businessman William Charles Rath.

The devices, which were manufactured by co-defendant, Gregory Chaffin at his facility in Franklin Furnace, Ohio, were ultimately sold to consumers in the Western District of Kentucky and elsewhere who used the devices to gain unauthorized, free access to all programming offered by DirecTV, including pay-for-view programs. Chaffin plead guilty to manufacturing and selling these illegal devices, as did co-defendant, Jeffrey Sanders. Both Chaffin and Sanders were sentenced in October 2006 to one year imprisonment.

William Charles Rath, the principal defendant and a Canadian citizen, fled the jurisdiction of the Canadian courts in July 2006. While the United States' request for extradition of him was pending, he forfeited a \$100,000 Canadian bond. His current whereabouts are unknown and a warrant for his arrest is outstanding .

Hill admitted during his guilty plea to distributing 437 of the illegal devices to both end-line users and other members of the conspiracy. According to the United States, the amount loss suffered by DirecTV as a result of **Hill's** role in the conspiracy is approximately \$549,000.

The maximum potential penalties facing **Hill** are 5 years imprisonment, a \$250, 000 fine, and 3 years supervised release.

The case was prosecuted by Assistant United States Attorney Jim Lesousky and was investigated by the Internal Revenue Service, Criminal Investigations, and the Federal Bureau of Investigation.

The plea was entered before Judge Thomas B. Russell, United States District Court, Paducah, Kentucky.

Hill is scheduled to be sentenced before Judge Russell on June 12, 2007, at 12:00 p.m., in United States District Court, Paducah, Kentucky.

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